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## **Indiana American Water rate case: Consumer comments invited**

The Indiana Office of Utility Consumer Counselor (OUCC) is inviting written comments on Indiana American Water Company's (IAWC's) request for a rate increase.

The OUCC – the state agency representing consumer interests in cases before the Indiana Utility Regulatory Commission (IURC) – is reviewing the utility's request and has not yet taken a position in this case. The OUCC anticipates completing its review and filing testimony with the Commission on May 2, 2014.

IAWC – a wholly owned subsidiary of Voorhees, N.J.-based American Water, Inc. – provides service to approximately 290,000 customers throughout the state.

According to its testimony and exhibits, IAWC is seeking the rate increase for several reasons including paying for numerous infrastructure improvements. The projects include replacement of aging mains, treatment plant projects, storage tank renovation, and other projects. The utility's proposal would raise its total annual operating revenues by \$19.6 million, an increase of approximately 9.8 percent.

For most IAWC residential customers using 5,000 gallons per month, the monthly water bill would rise from \$37.35 to \$39.75. This would apply throughout all of the utility's service territories with four exceptions:

- Most of IAWC's Northwest Indiana customers are billed every two months. The bi-monthly bill for 10,000 gallons in Northwest Indiana would rise from \$67.81 to \$79.48. This equates to a monthly increase from \$33.90 to \$39.74.
- In Mooresville and Winchester, the monthly water bill would increase from \$33.62 to \$36.39.
- In Wabash, the monthly bill would rise from \$33.62 to \$39.75 with the increase to be phased in over a three-year period.
- IAWC provides sewer utility service in the Muncie and Somerset areas. For those customers, the flat, monthly sewer rate would increase from \$69.46 to \$76.50.

These numbers do not include fire protection surcharges.

IAWC's current base rates were approved in June 2012. However, rates have since increased twice through the utility's Distribution System Infrastructure Charge (DSIC), a rate adjustment mechanism (or tracker) which allows investor owned water utilities to increase rates to pay for aging infrastructure subject to OUCC review and IURC approval. IAWC's most recent DSIC increases were approved in December 2012 and December 2013.

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The City of Crown Point has intervened in this case and is also expected to file testimony on May 2, 2014.

More information on this case, including the utility's testimony, is available online at www.in.gov/oucc/2654.htm.

Consumers who wish to submit written comments in this case may do so via the OUCC's Website at **www.in.gov/oucc/2361.htm**, or by mail, email or fax:

Mail: Consumer Services Staff
 Indiana Office of Utility Consumer Counselor
 115 W. Washington St., Suite 1500 South
 Indianapolis, IN 46204

• email: <u>uccinfo@oucc.IN.gov</u>

• **Fax**: (317) 232-5923

Written comments the OUCC receives by April 25, 2014 will be filed with the Commission and included in the case's formal evidentiary record. Comments should include the consumer's **name**, **mailing address**, and a reference to "**IURC Cause No. 44450**."

Consumers with questions about submitting written comments can contact the OUCC's consumer services staff toll-free at 1-888-441-2494.

Public field hearings in IAWC's service territory are anticipated with dates and locations to be determined.

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(IURC Cause No. 44450)

The Indiana Office of Utility Consumer Counselor (OUCC) represents Indiana consumer interests before state and federal bodies that regulate utilities. As a state agency, the OUCC's mission is to represent all Indiana consumers to ensure quality, reliable utility services at the most reasonable prices possible through dedicated advocacy, consumer education, and creative problem solving.

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